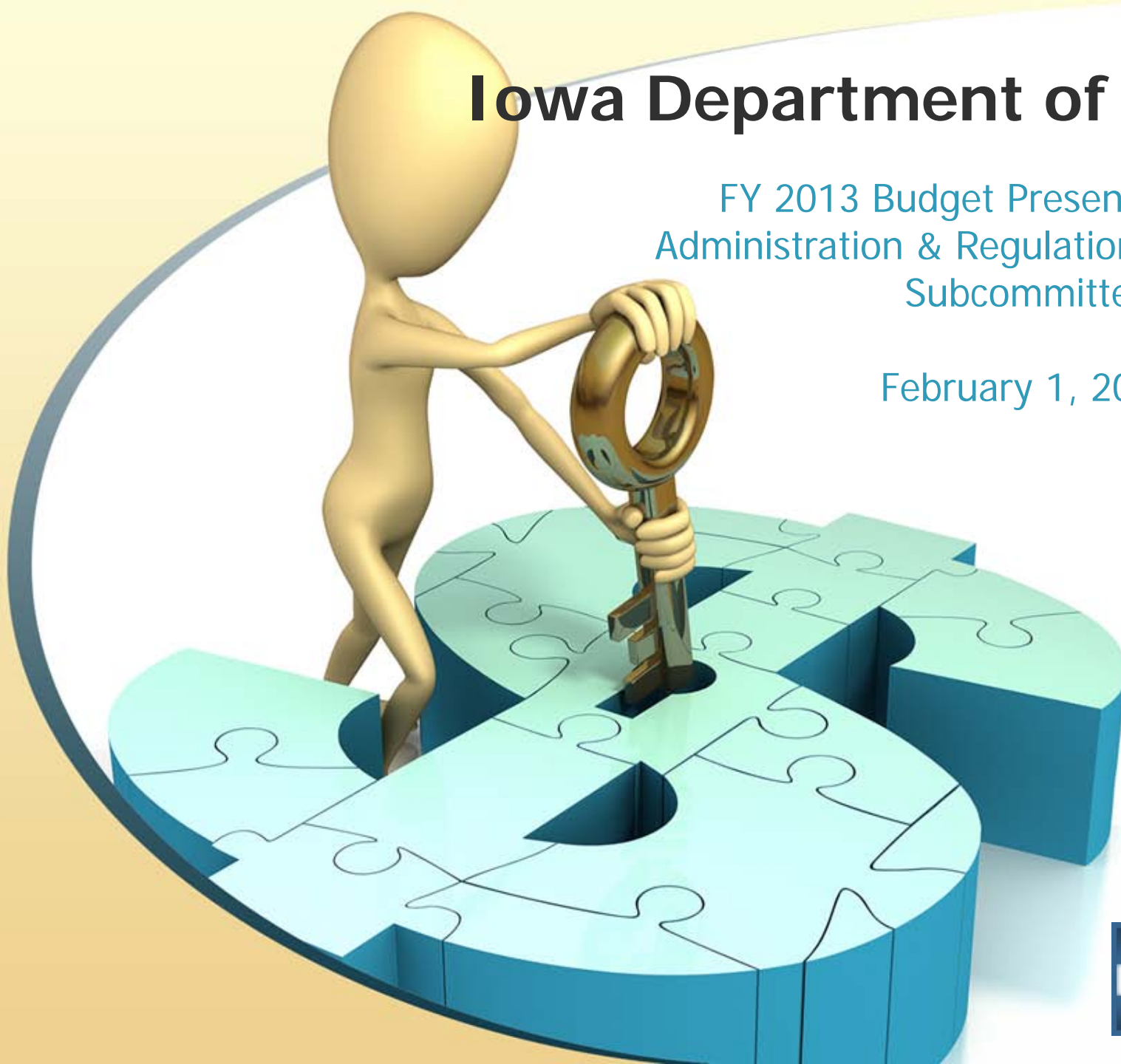


Iowa Department of Revenue

FY 2013 Budget Presentation to the
Administration & Regulation Appropriations
Subcommittee

February 1, 2012



FY2013 Budget Request

Operational Appropriations Budget is “Status Quo.”

- **Total Budget:** **\$17.7 Million**
 - 84% is staffing expense; 303 FTEs
- **Operations also funded by collections and audit receipts**
 - Iowa Acts SF 2088: 5 examiners brought in \$3,418,610.04 in FY 11

Budget also includes statutory appropriations:

- **Homestead Credit, Ag Land Tax Credit, Elderly and Disabled Property Tax Credit/Rent Reimbursement**
- **Cigarette Stamps:**
 - Current stamp is being discontinued by the provider
 - Current cost is \$0.73/1,000
 - Beginning 7/1/12 cost increases to \$3.50/1,000 – 380% increase
 - Encrypted for increased security

Keys to Success: Looking Ahead

Process Improvement

- Create a culture of constant re-evaluation
 - Learn from sub-optimal outcomes
 - No system is perfect, but all systems can be improved
- Incorporate LEAN Strategies
 - Value Stream Mapping and Kaizen events completed for protest process

Education

- Re-evaluate educational programs for all constituencies
- Priority to include proactive, pro-business reforms and responses

Keys to Success: Looking Ahead

Technology

- Modernization is critical.
 - Helps ensure revenues are collected efficiently and effectively.
- Five major systems built for a paper economy.
- Initial review of system needs and options.
 - Looking at other states' experiences.
 - Replacement will likely occur in phases.

Questions?

